



CCM Testimony

545 Long Wharf Drive., 8th Floor, New Haven, CT 06511 • 203-498-3000



PLANNING & DEVELOPMENT COMMITTEE

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The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 168 towns and cities.

SB 999 An Act Increasing the Uniform Assessment Rate for the Property Tax.

CCM Opposes SB 999.

SB 999 would change the current process of calculating property tax liability based on 70% of assessed value to calculating tax liability based on 75% of assessed value.

Adjusting the assessment rate from 70% to 75% for real and personal property could have unintended consequences while not providing tax relief or reducing the over reliance of municipalities on the regressive property tax. The unintended consequences of increasing the grand list on paper while likely seeing a reduction in mill rates could impact current municipal aid such as but not limited to PILOT and motor vehicle reimbursement that are based upon but not limited to the mill rate.

If towns and cities increased the assessment rate on motor vehicles, real and personal property subject to the property tax without adjusting the mill rate it would have the impact of imposing a significant increase on the tax liability of residents and businesses. If the assessment rate were increased most municipalities would likely just reduce their mill rate to maintain taxable revenue at the level needed to fund local government services.

CCM has long argued that the property tax system is regressive and that comprehensive reforms are needed. The regressive property tax accounts for more than 40% of all taxes collected in the state and is continually undermined by the adoption of legislatively mandated property tax exemptions (currently 100). Overreliance on the property tax is especially detrimental to our urban communities where, in some cases, 50% or more of their taxable property is exempt.

Changing the assessment rate from the current 70% to 75% would most likely result in no more than an accounting adjustment by increasing a town or cities grand list by 5% and then seeing local



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mill rates reduced as municipal leaders would not want to impose a corresponding 5% tax on residents.

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If you have any questions, please contact Randy Collins, Advocacy Manager of CCM at rcollins@ccm-ct.org or (860) 707-6446 or Donna Hamzy Carroccia, Chief Strategy Officer of CCM at dhamzy@ccm-ct.org or (203) 843-0705.